

LAOS

Change of Tune

BY ARNOLD ABRAMS

Vientiane: The thaw in Sino-American relations has not halted US-directed intelligence operations which penetrate deep into Chinese territory. These operations, which have been conducted for years by the CIA (Central Intelligence Agency), involve the sending of reconnaissance teams from northern Laos as far as several hundred miles into southern China's Yunnan province. Team members are native hill tribesmen whose ethnic stock — Meo — is prevalent in southern China.

The tribesmen have been recruited, equipped and trained by the CIA to infiltrate Chinese territory and obtain information on troop movements, politi-

Chinese authorities have known for some time about the missions; several teams have been captured in recent years.

Consequently, American officials reason that Peking will continue to tolerate such territorial incursions as long as they are conducted solely for intelligence-gathering purposes and do not pose a direct security threat. US authorities also believe that, if the Chinese want an excuse to reverse the friendly trend, they can do better than simply focus on these operations.

"Americans are still fighting in Vietnam, they have a military presence on Taiwan, and they are standing by their treaty commitments to Chiang Kai-shek," observes one source close to the US embassy here. "If the Chinese are looking for something to whip them with, any one of those three will do."

In Laos, American officials' major security concern about the Chinese stems from a Peking road-building project in the north. An estimated 14,000 Chinese personnel, including several thousand soldiers standing guard and manning anti-aircraft batteries, are constructing a route leading toward the Thai border.

Thai authorities repeatedly have expressed deep concern about the road's potential as a supply line for communist-led guerilla forces in northern Thailand. American officials privately voice similar concern. While conceding that Chinese forces in Laos have not shown hostility, they insist the construction project must be kept under closest scrutiny.

The Peking project originally was requested by the tripartite government, established in Laos with the signing of the 1962 Geneva Accord, which collapsed in 1963.

Ironically, while American officials fret about Chinese intentions in Laos, Peking's new diplomacy has prompted a positive reaction from the leader of this nation's neutralist government. In a recent interview, Prime Minister Souvanna Phouma stressed China's historically non-aggressive attitude toward Laos.

The 70-year-old prince noted that the unhappy history of this landlocked kingdom is replete with tales of invasion by neighbouring Thais, Cambodians, Burmese and Vietnamese — but not by the Chinese. He also expressed the hope that China's attitude, coupled with a

possible Sino-American rapprochement, would restrain further North Vietnamese aggression in Laos.

Although Souvanna Phouma is still said to harbour private fears about Peking's longrange designs on this region, his current public stance marks a departure from the position he assumed earlier this year, prior to the US-supported South Vietnamese invasion of his country. Then, he warned that the allied move might prompt open intervention by Peking in the Indochina war. Now, his tune is different. Like everyone else, he can only guess about the intentions of China's leaders.

Fateful Flowering

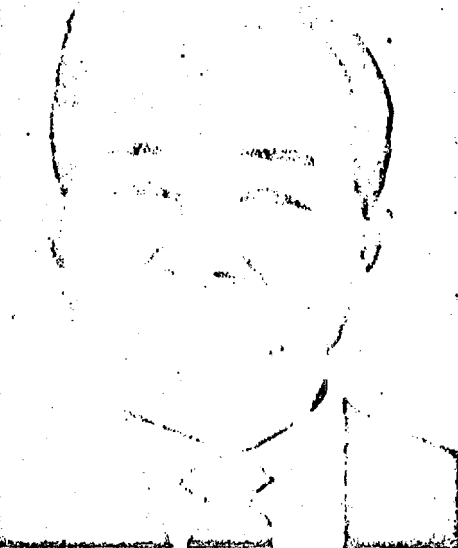
BY A CORRESPONDENT

Vientiane: Asia's latest opium war is hotting up. East of the Annamite mountains, the US military is reported to be reeling under the effects of heroin, and in Saigon US leaders have been pressing the government into a series of emergency measures to stop the flow of supplies — including a mass transfer of customs agents from Ton Son Nhut airport, the centre of large scale trafficking, and sweeps through the city to arrest suspected peddlars.

A widely publicised amnesty-cure programme has been offered addicted soldiers. All chemists and known peddling centres have been placed "off limits" and medical tests instituted to detect addicts among homeward bound troops.

But these measures are preliminary skirmishes in the great war. The problem of stamping out or otherwise controlling opium can only be solved by an international campaign of which Laos is already feeling the impact. An American narcotics investigator is in Vientiane tracing the legend that heroin is produced in Laos and seeking information to map out strategy in the war against opiates. Early this month Laotian national police were pressured into a general round-up of Vientiane's opium den operators, most of whom have a licence from the Laotian government. More than 420 operators were held for questioning.

But Laotians find it difficult to take seriously a campaign which conflicts with local customs, tolerances and economy. The opium den operators were



Souvanna Phouma: Stressing China's non-aggressive attitude towards Laos.

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cal developments and other pertinent security data. American embassy officials in Vientiane refuse to discuss these operations, but qualified sources report that the officials believe local security needs and the intelligence value of such operations justify their continuation.

American authorities largely discount any potential threat these operations pose to slowly improving relations between Washington and Peking. They believe this threat is small because the operations are not commando raids or sabotage efforts, and Americans do not participate directly in them. Moreover,

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held overnight by the police (their wives were prompted to bring them sufficient opium) and paraded in front of the identified Americans the following day. On their release a ranking police official suggested they smoke twice as much that night to compensate for their confinement. "Don't worry," he reportedly told them, "Laos isn't ready for an opium crack-down yet."

Laos, southern China, Burma, North Vietnam and northern Thailand make up an enormous opium producing area. Laos is considered the entrepot for most of the opium -- and to get at it agents employed by the US are reportedly negotiating purchase of the entire autumn opium harvest. The chief difficulty is finding the right point in the chain of production and distribution at which to conduct negotiations. To operate at village level is absurd, and physically impossible because of dispersal. Most of the opium in Laos is now grown deep in hostile territory while the bulk merely passes through Laos. Once it is gathered together from the various villages for movement southward, or enters Laos from the outside, there are several points of contact.

Major General Vang Pao is known as one of them. Officers of Vang Pao's CIA (Central Intelligence Agency) army reputedly control the movement of all southbound opium in his name, so long as it remains in the mountains, simply because his soldiers control -- though numbers shrink -- the key passes through the mountains towards the Mekong.

In the lowlands raw opium transport is said by the director of the US narcotics bureau to be controlled by General Ouan Ratikhone, the RLG (Royal Laotian Government) army's chief of staff. An affable, much liked general, he is noted for his wide distribution of proceeds from opium, particularly to widows and orphans of his dead soldiers. General Ouan was a principal actor in Southeast Asia's last great opium affair, when Shan tribesmen from Burma attempted to circumnavigate Kuomintang troops in south Burma by passing their opium through Laotian territory. Ouan ordered Laotian T-28 bombers in on the Shans.

After leaving the control of Ouan's officer-agents in Laos' entrepot towns where it is refined and neatly packaged -- sometimes with brand name wrappers -- it reportedly passes to Chinese traders, refiners and distributors.

An old method of distribution was dropping opium from French-piloted aircraft into the Gulf of Siam in water-proof, buoyant containers, to be picked up by hovering ocean craft. Much is believed still to leave Laos by air and American air charter companies, to their consternation, have found shipments of it on board. There is a persistent but unconfirmed rumour that Air America and Continental Air Services employees, or the CIA's agents, are deeply involved in opium transport. Government sources admit there may be a scattering of individuals involved -- at risk of both job and security clearance.

It is generally believed here that US control of bulk opium would require "buying off" Generals Ouan and Vang Pao and through them much of the regular and irregular Laotian armies. The matter is basically one of Laotian economics. Heroin, into which much of this opium is then refined, is another matter. Once the opium leaves Laotian control it disappears into a highly secretive underground network -- from which it surfaces as heroin in Vietnam. Legend has it that the transformation from opium to heroin takes place in Laos, though no proof has emerged.

It is almost definite however, that opium is refined to morphine base somewhere in Laos -- possibly centred around three or four lumber mills on the Vientiane plain and another near Ban Houei Sai, northwest of the administrative capital. Morphine base is said to be the form in which most opium is shipped out of Laos. The appearance on the local market of an opium derivative locally called khai, to which virtually all non-crippled beggars in the capital are pathetically addicted, is believed to indicate local morphine production. The cheapness of the drug suggests it is a residue in plentiful supply. The most knowledgeable Westerners are unable to trace its origins -- which are wrapped in tight secrecy, the kind that surrounds morphine or heroin production -- yet the drug is openly sold and consumed here.

Heroin is not available except through private international sources to Western addicts in Vientiane. If it existed in Laos, it's argued, there would be leaks onto the local market. Until recently Laos is thought to have served only as a junction for heroin distribution. Opium grown and refined to morphine base here was then reduced to heroin in Hong-kong or Bangkok. Some came back through Laos, among other channels, on

its way to Vietnam. But now Laos seems to be turning into an entrepot for heroin.

In the past much of the heroin traffic from Laos to Saigon was carried by unsuspecting Vietnamese holiday-makers given a cost-free trip to Saigon for carrying a "package" which had already been "cleared" through Vietnamese customs. The travellers would assume they were carrying hard currency or other articles in high demand in Saigon. But the shake-up at Ton Son Nhut is said to have dealt with the "prior clearance" method at least temporarily.

Opium trade experts in Vientiane say that within the last few weeks the first major heroin transaction ever in Laos took place, when a large package of the drug was sold to an unidentified American believed bound for Saigon. The outspokenness of local opium merchants and den operators on heroin indicates their anger at American interference. As they frequently point out, opium growing, trade and use are legal in Laos and outside interference has unseen and serious ramifications. It affects addicts among the older Vietnamese and Chinese -- Laotians seldom use opium -- and a welfare system of sorts which is based on it. They fear the leaks of heroin will soon develop if Laos becomes an entrepot -- another form in which Vietnam's problems will be again visited on Laos.

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